



**2009-10
Budget Conference Committee
on SB 61**

**June 3, 2009
1:30 p.m. – Room 4203
Reorganizations, Consolidations, and Elimination
of Departments and Other Entities**

**Assembly Member Noreen Evans, Chair
Senator Denise Moreno Ducheny, Vice Chair**

**Members: Senator Bob Dutton, Senator Mark Leno, Senator Alan Lowenthal, and Senator Mimi Walters
Assemblymember Bob Blumenfield, Assemblymember Kevin De León, Assembly Member Roger Niello, and Assemblymember Jim Nielsen**

Reorganizations, Consolidations, and Elimination of Departments and Other Entities

- The Governor's May Revision proposes to reorganize, consolidate, and eliminate a number of Departments, Boards, and Commissions. Many of these proposals carry out policies first initiated in the California Performance Review conducted in Governor's Schwarzenegger's second year in office.

Most state functions are carried out by departments. These departments have directors appointed by and responsible to the Governor. Outside of these departments, the state also has hundreds of boards, commissions, and task forces which serve a variety of roles. Boards and commissions are generally more autonomous than departments. Board members and commissioners are appointed by a variety of individuals—including the Governor, legislative leaders, and constitutional officers. Members may be appointed for a fixed length of time (whereas department directors serve at the pleasure of the Governor).

- The May Revision roughly estimates \$50 million in General Fund savings, if the Legislature adopted all of the administration's proposals in this area. However, like most aspects of the May Revision, the administration has not provided a comprehensive fiscal evaluation of its proposal. In addition, this level of savings does not take into account any additional proposals that the Legislature may wish to pursue.

The administration has also proposed adoption of a new Control Section 13.25, to allow the Department of Finance to make necessary budget adjustments to reflect reorganizations and consolidations of departments or functions of departments that are approved by the Legislature.

- Below is a table of the various proposals put forth by the administration with the May Revision, with some additional recommendations by the LAO.

	DEPARTMENT OR ENTITY	DESCRIPTION OF THE PROPOSAL	SOURCE
1.	Franchise Tax Board (FTB)	Consolidate with Board of Equalization and Employment Development Department – eliminate duplication and improve tax collections by merging tax collections operations.	Gov, LAO
1.	Board of Equalization (BOE)	Consolidate with FTB and EDD – see above.	Gov, LAO
1.	Employment Development Department (EDD)	Consolidate with FTB and BOE – see above.	Gov, LAO
2.	Department of Boating and Waterways	Eliminate the Department of Boating and Waterways and transfer its functions within Department of Parks and Recreation.	Gov
3.	California Postsecondary Education Commission (CPEC)	Consolidate with the Student Aid Commission (SAC).	Gov
3.	Student Aid Commission (SAC)	See above.	Gov
4.	Office of Environmental Health Hazard Assessment (OEHHA)	Eliminate OEHHA and transfer its duties into Department of Public Health.	Gov
5.	Department of Community Services and Development	Eliminate DCSD and transfer its functions to the Department of Social Services and new Department of Energy.	Gov

6.	California Science Center	Transfer to a non-profit or other governmental entity and ensure this center remains viable during these difficult budget times.	Gov
7.	San Francisco Bay Conversation and Development Commission	Eliminate and realign functions to a regional entity.	Gov
8.	Bureau of Naturopathic Medicine	Eliminate.	Gov
9.	Telephone Medical Advice Services Bureau	Eliminate.	Gov
10.	Board of Geologists and Geophysicists	Consolidate with State Mining and Geology Board.	Gov
10.	State Mining and Geology Board	Consolidate with Board of Geologists and Geophysicists.	Gov
11.	Professional Fiduciaries Bureau	Consolidate under the Board of Accountancy.	Gov
12.	Board of Behavioral Sciences	Consolidate into a new Board of Mental Health.	Gov
12.	Board of Psychology	Consolidate into a new Board of Mental Health.	Gov
12.	Board of Vocational Nurses and Psychiatric Technicians	Consolidate psychiatric technician oversight to new Board of Mental Health; consolidate nursing oversight with Board of Registered Nursing.	Gov
13.	Hearing Aid Dispensers Bureau	Consolidate under Speech-Language Pathology and Audiology Bureau.	Gov
14.	Court Reporters Board	Eliminate.	Gov

15.	Inspection and Maintenance Review Committee	Eliminate and transfer its functions to the Bureau of Automotive Repair.	Gov
16.	Landscape Architects Technical Committee	Eliminate and transfer its licensing duties to the Architects Board.	Gov
17.	Department of Corporations	Consolidate with Departments of Financial Institutions, Real Estate, and Real Estate Appraisers	AB 33 (Nava), Gov
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17.	Department of Real Estate	Consolidate with Departments of Corporations, Financial Institutions, and Real Estate Appraisers	AB 33 (Nava), Gov
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18.	California Conservation Corps	Eliminate the corps.	LAO
19.	Commission on the Status of Women	Eliminate commission.	LAO
20.	Office of Administrative Law	Eliminate the office and transfer its core responsibilities to other departments.	LAO
21.	Office of Planning and Research	Eliminate General Fund support for the office.	LAO